

## Message Text

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ACTION ARA-06

INFO OCT-01 ISO-00 SS-14 SP-02 /023 W  
-----060030Z 028968 /20  
R 051959Z MAY 77 ZFF4  
FM AMEMBASSY CARACAS  
TO SECSTATE WASHDC 7527

C O N F I D E N T I A L SECTION 1 OF 2 CARACAS 4497

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E.O. 11652: GDS  
TAGS: PFOR, OVIP, VE, US  
SUBJECT: PEREZ STATE VISIT: THE THEMES

REF: STATE 91072

1. THE FOLLOWING ARE OUR IDEAS ON "THEMES" FOR THE PEREZ STATE VISIT. SINCE THE GOV IS WORKING INTERNALLY ON AGENDA ITEMS, WE WILL UNDOUBTEDLY RECEIVE ADDITIONAL SUGGESTIONS AND IDEAS FROM OUR DISCUSSION WITH THEM FOLLOWING CAP'S RETURN FROM THE MIDDLE EAST. WE HAVE GROUPED OUR SUGGESTIONS BELOW AS A) ISSUES AND TOPICS THAT ONE OR THE OTHER SIDE CAN BE EXPECTED TO BRING UP, AND B) RECOMMENDED INITIATIVES WE SHOULD TAKE TO SOLIDIFY US-VENEZUELAN RELATIONS AND IMPLEMENT THE THEMES OF THE APRIL 14 SPEECH. WE ATTACH PARTICULAR IMPORTANCE TO THE LATTER.

2. ISSUES AND TOPICS FOR DISCUSSION. WE HAVE GROUPED THESE ITEMS ACCORDING TO WHETHER THEY REFLECT SHARED OR CONFLICTING INTERESTS:

A. SHARED INTERESTS. (1) HUMAN RIGHTS.  
CAP WILL BE PREPARED TO SUPPORT THE US POSITION ON HUMAN RIGHTS (HE HAS SAID PRIVATELY THAT THE US SHOULD NOT HAVE TO STAND ALONE ON THIS MATTER), AND TO DISCUSS WITH  
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PRESIDENT CARTER HOW THIS POLICY CAN BE IMPLEMENTED, ESPECIALLY IN THE OAS AND UN. THIS PROVIDES A PERFECT OPPORTUNITY--AND CAP WOULD BE WILLING--FOR A JOINT DECLARATION OF THE TWO PRESIDENTS ON THIS SUBJECT WHICH COULD RECEIVE WIDE MEDIA EXPLOITATION.

(2) NUCLEAR NON-PROLIFERATION. THE FOREIGN MINISTER

HAS TOLD US THAT CAP WILL WANT TO DISCUSS THIS SUBJECT WITH PRESIDENT CARTER AND ATTACHES IMPORTANCE TO IT. HE WILL PROBABLY WISH TO BE BRIEFED ON HOW WE SEE THE BRAZILIAN CASE AND TO DISCUSS HOW TO PERSUADE OTHERS TO SIGN THE TLALTELOLCO TREATY AND PROTOCOL; HOW TO PROMOTE GENERALLY THE NON-PROLIFERATION PRINCIPLE, AND HOW TO ADVANCE INTERNATIONAL SAFEGUARDS AND RESEARCH/EVALUATION. WE HAVE AN OPPORTUNITY TO OBTAIN VENEZUELA'S INTERNATIONAL SUPPORT, AND FOR A POSSIBLE PUBLIC DECLARATION OR STATEMENT IN A COMMUNIQUE OR OTHER SUITABLE VEHICLE.

(C) TERRORISM. CAP IS VERY SENSITIVE TO THE TERRORISM ISSUE; HE SIGNED A JOINT DECLARATION WITH THE AUSTRIAN PRIME MINISTER IN VIENNA, ON MAY 4, ON INTERNATIONAL COOPERATION TO DEAL WITH TERRORISM. HE MAY WISH TO SUGGEST SOMETHING SIMILAR FOR WASHINGTON, AND IT MIGHT BE USEFUL.

(4) REGIONAL PROBLEMS. CAP WILL WISH TO DISCUSS PANAMA, FOLLOWING UP ON THE BUNKER-LINOWITZ/PEREZ TALKS. HE WILL WANT TO KNOW WHAT WE SEE RE CUBA AND OFFER TO HELP OR MEDIATE IF WE THINK THAT NECESSARY. (HE MAY MAKE A "TECHNICAL STOP" IN HAVANA ENROUTE TO OR FROM WASHINGTON.) OAS REFORM AND THE FUTURE OF THE SYSTEM WILL BE OF MUTUAL INTEREST, AND BOTH SIDES MAY ALSO WANT TO REVIEW ANDEAN PACT PROSPECTS AND THE US RELATIONSHIP TO THE PACT.

(5) MILITARY. THE MINISTRY OF DEFENSE IS PREPARING  
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TALKING POINTS FOR THE PRESIDENT ON MILITARY ASSISTANCE ISSUES. WHILE ONE MIGHT ANTICIPATE THAT SUCH ITEMS WOULD NOT COME UP IN DISCUSSIONS BETWEEN THE PRESIDENTS, CAP DID BRING UP SIMILAR MATTER WITH SECRETARY KISSINGER LAST YEAR AND WE SHOULD BE PREPARED. LIKELY TOPICS ARE DESIRABILITY OF A NEW BILATERAL MILGRP AGREEMENT, THE EXPANSION OF FMS CREDIT SALES AND INCREASED LEVEL OF INTERNATIONAL MILITARY AND EDUCATION GRANTS.

B. CONFLICTING INTERESTS. (1) OPEC. CAP WILL WANT TO "JUSTIFY" AND EXPLAIN OPEC AND HIS CONCEPT OF IT. WE COULD ASK FOR A "DEBRIEF" ON HIS MIDDLE EAST VISIT. CAP WILL UNDOUBTEDLY ALSO WANT US TO UNDERSTAND THE PRICE ISSUE AND TO REASSURE US OF VENEZUELA'S MODERATE STAND IN OPEC ON THIS POINT. WE DO NOT SEE MUCH UTILITY IN A FRONTAL APPROACH WITH CAP ON THE OIL PRICE QUESTION. HE IS TOO DEEPLY COMMITTED TO OPEC AND HIS INDUSTRIALIZATION PLANS ARE CONTINGENT ON HIGH PRICES. BUT WE SHOULD BE ABLE TO PROVIDE HIM

WITH OUR GENERAL VIEWPOINT ON THE WORLD ENERGY QUESTION  
SO THAT HE CAN CRANK THESE CONSIDERATIONS INTO HIS EQUATIONS.

(2) ENERGY. THERE ARE BOTH OPPORTUNITY AND  
CHALLENGES HERE. CAP AND HIS MINISTERS WILL WANT TO GAUGE  
HOW VENEZUELA AND ITS US MARKET WILL BE AFFECTED BY OUR  
ENERGY POLICY AND PLANS. THERE IS AT LEAST THE OPPORTUNITY  
FOR ESTABLISHING CONSULTATION MECHANISMS ON THESE ITEMS  
WHICH COULD BE MUTUALLY FRUITFUL. TECHNOLOGY EXCHANGE FOR  
OIL AND OTHER SOURCES OF ENERGY PROVIDE A FRUITFUL AREA  
TO EXPLORE (SEE BELOW).

(3) NORTH-SOUTH. CAP WILL DOUBTLESS  
CONTINUE TO HOLD HIMSELF OUT AS A THIRD WORLD SPOKESMAN.  
HE MAY ALSO SEEK TO LINK THE JULY OPEC RESULTS TO CIEC  
RESULTS. DEPENDING UPON WHAT HAPPENS IN CIEC, HE  
AND PEREZ GUERRERO WILL WANT TO EXPLAIN TO AND/OR  
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CONVINCE US. THERE IS ALSO OPPORTUNITY HERE TO AGREE  
ON ONGOING CONSULTATION ARRANGEMENTS.

(4) PROBLEMS INVOLVING US BUSINESS. WE SHOULD BE  
PREPARED TO RAISE, PREFERABLY WITH THE INDIVIDUAL MINISTERS,  
OUR CONCERN AND URGING FOR COMPLETING OIL  
NATIONALIZATION AGREEMENTS, OWENS-ILLINOIS PROBLEM,  
OCCIDENTAL.

(5) TRADE LAW. WE CAN COUNT ON CAP RAISING THE  
TRADE LAW AND URGING ELIMINATION OF VENEZUELA'S GSP  
EXCLUSION.

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ACTION ARA-06

INFO OCT-01 ISO-00 SS-14 SP-02 ONY-00 /023 W  
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FM AMEMBASSY CARACAS  
TO SECSTATE WASHDC 7528

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3. NEW US INITIATIVES. GIVEN VENEZUELA'S RECEPTIVITY AND EXPECTATION REGARDING CLOSE ASSOCIATION WITH US, WE HAVE AN OPPORTUNITY TO STRENGTHEN BILATERAL RELATIONSHIPS AND CONSULTATION IN CONCRETE WAYS THAT WILL AT THE SAME TIME DEMONSTRATE AND IMPLEMENT SOME OF THE PRINCIPLES OF PRESIDENT CARTER'S APRIL 14 SPEECH. IN ADDITION TO THE NORMAL RANGE OF EXPECTABLE TOPICS LISTED ABOVE, THERE IS A WHOLE AREA OF "HOW CAN WE STRENGTHEN OUR FRIENDSHIP AND INTERACTION" IN WHICH PRESIDENT CARTER CAN TAKE THE INITIATIVE IN PROPOSING IMAGINATIVE AND FRUITFUL PROJECTS. OUR IDEAS ON THIS ARE AS FOLLOWS:

A) CONSULTATIVE MECHANISM. PRESIDENT CARTER COULD (AND CAP FOR HIS PART MIGHT) PROPOSE THE ESTABLISHMENT OF SOME SORT OF SYSTEMATIC BUT INFORMAL ARRANGEMENTS TO CARRY OUT ONGOING CONSULTATIONS BETWEEN THE TWO GOVERNMENTS TO FOLLOW UP ON MUTUAL INTERESTS AND CONCERNS. WE SUGGEST A NETWORK OF INFORMAL BUT PERIODIC CONSULTATIONS BY CORRESPONDING MINISTRIES OR DEPARTMENTS AT THE MINISTERIAL OR HIGH SUB-CABINET LEVEL ON THE CANADIAN PATTERN, E.G. HERNANDEZ-SCHLESINGER; PEREZ GUERRERO-BLUMENTHAL/COOPER.

B) SCIENCE AND TECHNOLOGY AGREEMENT. WE WILL EXPLORE  
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S&T AGREEMENT PER STATE 101507 TO SEE IF AN UMBRELLA AGREEMENT COULD NOT BE SIGNED BY TWO PRESIDENTS.  
RC) ORINOCO TAR BELT AND OIL TECHNOLOGY. WE KNOW THAT THE GOV IS INTERESTED IN OBTAINING US OIL TECHNOLOGY. OFFICIALS OF THE MINISTRY OF MINES AND PETROVEN AND THE MINISTER OF PLANNING HAVE TOLD US PRIVATELY AND INFORMALLY THAT THEY WOULD LIKE TO FOCUS US TECHNOLOGY RESEARCH ON THE OIL PROBLEM AND THE TAR BELT SPECIFICALLY. THIS IS A HIGHLY SENSITIVE POLITICAL ISSUE, HOWEVER, AND FOREIGN PARTICIPATION IN THE TAR BELT'S EXPLOITATION RAISES THE SPECTER LOCALLY OF RENEWED MULTI-NATIONAL "EXPLOITATION" OF THE COUNTRY'S RESOURCES. IT IS THE GOV THEREFORE THAT WILL HAVE TO DECIDE WHEN AND HOW IT MAY WISH TO RAISE IT. WHILE WE SHOULD NOT TAKE THE INITIATIVE, IS IS NOT INCONCEIVABLE THAT SOME GENERAL PROPOSAL FOR SPONSORING JOINT RESEARCH MAY BE MADE BY CAP IN THIS AS WELL AS IN OTHER ENERGY MATTERS AND WE SHOULD THINK ABOUT HOW TO RESPOND. PERHAPS

SOME NEW MECHANISM, POSSIBLY A USG UMBRELLA FOR OIL COMPANIES TO BRING TECHNOLOGY TO BEAR ON THESE PROBLEMS, IS WORKABLE. TRADE-OFFS ARE POSSIBLE ON THIS POINT ALTHOUGH ASSURANCES OF AN ADEQUATE SUPPLY OF OIL FOR THE US SEEMS MORE LIKELY THAN A BREAK ON PRICE.

C) SYMPOSIA. AS A MEANS OF STIMULATING INFORMATIONAL EXCHANGE BETWEEN THE TWO SOCIETIES WE COULD PROPOSE JOINT CONSIDERATION OF WAYS TO INSTITUTIONALIZE SYMPOSIA. ONE POSSIBILITY WOULD BE THE ESTABLISHMENT OF A HEMISPHERIC FORUM IN VENEZUELA ALONG THE LINES OF THE BILDERBERG GROUP OR THE SALZBURG SEMINAR. THE PROPOSALS WHICH ARTHUR GLOVER HAS BEEN DISCUSSING WITH CU MIGHT BE EXPLORED. ANOTHER POSSIBILITY IS TO CONSIDER INSTITUTIONALIZING THE US-VENEZUELA SYMPOSIUM SERIES, SUBSTITUTING THE CURRENT AD HOC ARRANGEMENTS NOW PAROCHIALY LINKED TO FLETCHER, WITH A WIDER SERIES OF CONFIDENTIAL

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POLITICAL, ECONOMIC AND CULTURAL LEADERS MEETING ALTERNATELY IN EACH COUNTRY UNDER THE AUSPICES OF PRIVATE ORGANIZATIONS BUT WITH GOVERNMENT SUPPORT AND GRANTS.

D. CULTURAL AND EXCHANGE OF PERSONS. IN THE CULTURAL AND EXCHANGE OF PERSONS FIELD WE PROPOSE A SERIES OF POSSIBLE INITIATIVES (SOME OF WHICH WE WILL EXPAND IN SEPARATE CABLES) WHICH WOULD ALSO IMPLEMENT THE APRIL 14 SPEECH THEMES:

(1) NOBEL LAUREATES. ESTABLISH A SPECIAL ONE-YEAR PROGRAM IN WHICH RECENT US WINNERS OF THE NOBEL PRIZE WOULD VISIT VENEZUELA AND CONSULT WITH THEIR COLLEAGUES. THIS PROGRAM WOULD IN OUTLINE BE SIMILAR TO THE ELITE LINCOLN SCHOLAR PROGRAM CARRIED OUT BY THE DEPARTMENT IN VARIOUS PARTS OF THE WORLD. WE WOULD EXPECT THAT EACH LAUREATE COULD SPEND SEVERAL DAYS IN VENEZUELA. SEVERAL LAUREATES COULD BE INVITED TO THE WHITE HOUSE DINNER FOR PRESIDENT PEREZ, WITH AN ANNOUNCEMENT OF THE PROGRAM TO BE MADE DURING THE TOASTS.

(2) ESTABLISH "BOLIVAR-WASHINGTON FELLOWSHIPS PROGRAM" FOR THE STUDY OF DEMOCRATIC INSTITUTIONS. JOINTLY FUNDED FOR A FIRM PERIOD OF FIVE YEARS, THE PROGRAM WOULD SELECT SCHOLARS FROM ALL THE AMERICAN REPUBLICS WHO WOULD SPEND A YEAR STUDYING SOME ASPECT OF DEMOCRACY AND ITS VARIOUS INSTITUTIONS IN ANY PART OF THE WORLD WHERE A DEMOCRATIC ENVIRONMENT STILL EXISTS. THE UNITED STATES AND VENEZUELA WOULD HOPE THROUGH THESE FELLOWSHIPS TO FOCUS ATTENTION ON THE NEED FOR STRENGTHENING DEMOCRATIC IDEALS

AND THEIR EFFECTIVE PRACTICE IN THIS HEMISPHERE. HOLDERS OF THE AWARD WOULD BE CONSIDERED PRESIDENTIAL FELLOWS AND BE RECEIVED AT SOME SUITABLE OCCASION BY THE RESPECTIVE PRESIDENTS TO PROVIDE MEDIA COVERAGE CONTINUING THROUGH THE LIFE OF THE PROGRAM. ALTERNATIVELY AND MORE SIMPLY, WE MIGHT ESTABLISH A PROGRAM FOR US SCHOLARS TO STUDY IN

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VENEZUELA UNDER THE AUSPICES OF THE MARISCAL DE AYACUCHO PROGRAM.

4. FACILITATIVE VISA SERVICES. AS PART OF THE ENHANCED MOVEMENT OF PEOPLE BETWEEN THE U.S. AND VENEZUELA, PROVIDE FOR LIBERALIZED VISA REQUIREMENTS BETWEEN THE TWO COUNTRIES THROUGH AN APPROPRIATE CONSULAR AGREEMENT. FROM THE U.S. STANDPOINT, THIS COULD INCLUDE: (A) A 29-DAY VISA ISSUED AT PORTS OF ENTRY FOR VENEZUELAN GOVERNMENT EMPLOYEES UPON PRESENTATION OF VENEZUELAN GOVERNMENT I.D. A PRECEDENT EXISTS CONCERNING A SIMILAR ARRANGEMENT WITH REGARD TO MEXICAN BUREAUCRATS; (B) APPROVAL FOR THE ISSUANCE OF INDEFINITE B-VISA AS IS CURRENTLY DONE IN EUROPEAN POSTS; (C) AUTOMATIC ENTRY FOR AYACUCHO SCHOLARS IN THE U.S. UPON CERTIFICATION BY THE AYACUCHO FOUNDATION OF THEIR SPONSORSHIP.

5. INFORMATION CENTER. ESTABLISHMENT IN BOTH COUNTRIES OF PERMANENT INFORMATION/EXHIBITION CENTERS FOR THE PURPOSE OF MAINTAINING A CONTINUOUS FLOW OF CULTURAL, ARTISTIC, EDUCATIONAL AND COMMERCIAL INFORMATION ACTIVITIES BETWEEN THE TWO NATIONS.

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## Message Attributes

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**TAGS:** PFOR, OVIP, SHUM, PARM, PINS, VE, US, (PEREZ, CARLOS ANDRES)  
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